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On the Distribution of International Assistance  
In the Aftermath of Hurricane Katrina

Before the House Committee on Government Reform  
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Mr. Chairman and Members of the Committee, on behalf of Secretary Margaret Spellings, thank you for the opportunity to testify on the actions the Department is taking in distributing funds received from international donors to support recovery efforts by schools and colleges affected by Hurricane Katrina.

Background

We regard our administration of these international donations as just one important element in our effort to provide assistance to schools and colleges directly in the path of Hurricane Katrina and Hurricane Rita, and to the educational institutions that have enrolled students displaced by those storms. As you may know, we responded to those storms quickly and, we believe, comprehensively. Within days of when Hurricane Katrina made landfall, Secretary Spellings sent high-level officials to the affected States to gain first-hand information about the situation and the needs in those jurisdictions. We focused on listening to the issues faced by educators in the Gulf States, and developing solutions that would work for schools, colleges and students. We subsequently provided significant technical and financial assistance to States, school districts, and colleges, and have granted waivers when necessary to support State and local school leaders in managing their response to the disaster.

For example, on September 30 we used Charter School Program funds that were available at the end of the fiscal year to make a special, competitive grant of \$20.9 million to the State of Louisiana to help reopen charter schools damaged by the hurricanes, to help create new charter schools, and to expand the capacity of existing charter schools to enroll displaced students. As another example, the Department redirected \$30 million in unspent Federal campus-based student aid funds to help hurricane-affected colleges meet the increased student demand for such aid. In addition, we established the Hurricane Help for Schools website, which links schools in the Gulf region that need books, clothing, and other supplies with individuals and organizations willing to donate those good and services. To date, this website has facilitated hundreds of these linkages.

On December 30, President Bush signed into law the FY 2006 Defense Appropriations Act, which gave the Department \$1.6 billion for hurricane relief activities. From that

appropriation, \$750 million is helping public and private schools in Alabama, Louisiana, Mississippi, and Texas that were closed as a result of the two hurricanes to restart their operations, \$645 million is for “Emergency Impact Aid” payments to public and private schools nationally for the costs they have incurred in enrolling displaced students, \$5 million is for efforts to help students made homeless by the hurricanes, \$190 million is for college recovery efforts in Louisiana and Mississippi, and the remaining \$10 million is for reimbursing institutions of higher education that took in displaced students. The Department has acted quickly and decisively in administering and distributing these funds, working in partnership with education officials in the States. As of this date, we have allocated over 90 percent of this special appropriation; the only remaining funds are a portion of the Emergency Impact Aid, which, by statute, is to be distributed in four quarterly payments over the course of the school year.

In sum, ever since Hurricane Katrina made landfall in the Gulf, the Department has been highly engaged, at all levels, in helping school and college administrators to cope with the aftermath of the storms, and in providing them with many forms of assistance and support. We are proud of what we have accomplished so far, but recognize that the recovery effort is far from over. Our efforts continue.

#### Distribution of International Donations for Education

In early January, we began discussions with the Department of State regarding the dispensation of approximately \$60 million that State had received from public and private sources in foreign nations. We developed a proposed strategy for using this aid and, on February 16, presented it to an interagency task force comprised of officials from the Departments of State and Homeland Security, the National Security Council, the Federal Emergency Management Agency, and the Office of Federal Coordinator for Gulf Coast Recovery. The task force then made the decision that Education should receive and manage these foreign donations.

On March 16, we entered into a Memorandum of Agreement with State, under which our Department is accepting these donations and will allocate the funds to educational institutions in Louisiana and Mississippi. This memorandum provides a framework for Education to maintain the funds in a separate trust account and to administer them in an accountable and transparent manner. While we have not yet made final decisions on the distribution of this aid, we do know that it will go to schools and colleges in the hardest-hit areas of Louisiana and Mississippi, and we expect to make those final decisions and disburse the aid by mid-May.

#### Lessons for the Future

I believe that we have established and maintained an effective working relationship with State on this matter and that, if the Federal Government were to receive education assistance from foreign entities or individuals in the future, we would be ready to do something similar.

More generally, the Department has learned important lessons about crisis management and response from our post-Katrina experiences, and they will inform many of our efforts across the agency. For example, under the Safe and Drug-Free Schools program, we make competitive Emergency Response and Crisis Management grants, to help school systems prepare to respond to natural and man-made emergencies. Although the original focus of these grants was on the threat of terrorism or such incidents as school shootings, Hurricanes Katrina and Rita have shown that natural disasters are an equally important threat, and we have thus expanded the program's focus. Our response to the hurricanes is also influencing how we help school authorities plan for the potential of a flu pandemic. Just a few weeks ago, we sent schools and colleges a checklist to help them prepare for that eventuality. In addition, the Department is working with the Homeland Security Council and other agencies to implement the recommendations of the *Federal Response to Hurricane Katrina: Lessons Learned* report. We are reviewing our internal capabilities for crisis planning and response, and evaluating our capacity to communicate with State and local education officials in emergency situations.

This concludes my statement. I would be happy to respond to any questions you may have.